REMARKS

This paper is responsive to the Office Action mailed January 7, 2009. In the Office Action, Claims 1, 93, 94, 100, 105, and 109 were rejected under 35 U.S.C. § 101 as being directed to nonstatutory subject matter. Claims 1-113 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Shoham (U.S. Patent No. 6,285,989), in view of Freeny, Jr. (U.S. Patent No. 6,594,643).

Applicant has amended Claims 1, 25, 76, 93, 94, 100, 105, and 109. For at least the reasons discussed below, applicant submits that the claims pending in the present application are directed to statutory subject matter, and moreover, the cited art fails to teach what is claimed. As such, the claims in the present application should be allowed.

Claims 1, 93, 94, 100, 105, and 109 Are Directed to Statutory Subject Matter

Applicant respectfully submits that each of amended Claims 1, 93, 94, 100, 105, and 109 recite statutory subject matter under 35 U.S.C. § 101. At a minimum, each of the methods claimed in Claims 1, 93, 94, and 100 are tied to a machine, namely, a computer or computer system, which is statutory subject matter. Each of the elements in the methods of Claims 1, 93, 94, and 100 positively recite the use of computer apparatus. Furthermore, the elements of the method in Claim 94 are accomplished under control of instructions that are executed by one or more computers in a computer system.

Claim 105, as amended, is directed to a computer system comprising at least one computer, which is a recognized class of statutory subject matter. Further, as recited in Claim 105, the at least one computer in each instance is configured to operate using a computer processor and a memory.

Claim 109, as amended, is directed to a tangible computer-readable medium having computer-executable instructions stored thereon, in which the instructions, if executed by a computer, cause the computer to provide a market process for trading an item. A tangible computer-readable medium as recited in Claim 109 is statutory subject matter under Section 101.

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For at least the foregoing reasons, applicant submits that each of Claims 1, 93, 94, 100, 105, and 109 meets the requirements of 35 U.S.C. § 101. The claim rejections should therefore be withdrawn.

Claim 1 Is Patentable Over Shoham and Freeny, Jr.

The Office Action cited Shoham in combination with Freeny, Jr. as allegedly rendering Claim 1 obvious. However, Shoham and Freeny, Jr. do not teach or suggest the elements recited in Claim 1.

Shoham is directed to a universal on-line trading market design and deployment system. A script generator is used for combining a set of trading primitives into a temporal protocol script representing a particular auction specification. As explained by Shoham at Col. 3, lines 41-45, "[t]he present invention is a method and apparatus that can be used to build any type of online auction using building blocks of its software technology. It includes a generic toolkit that can be used to build auction solutions ranging from simple to very complex and sophisticated auctions."

While Shoham refers to building auction solutions, a review of the reference shows that Shoham does not teach or suggest:

> specifying values for the selected market methodology via at least one computer in the computer system, wherein the values indicate:
>
> a maximum amount of time for the market process to return a price for an item in response to receiving an order for the item,
>
> a pricing methodology used by the market process to determine the price for the item, and
>
> an amount of time that the price for the item can be relied upon for executing a trade after the price is returned;

and

> publishing the specified values for the selected market methodology to a plurality of trading processes via at least one computer in the computer system, wherein the trading processes and the market

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> process are each computer program entities executing on the computer system,

as recited in Claim 1 of the present application. More specifically, there is no disclosure that the set of trading primitives taught by Shoham can be combined to perform the above-quoted elements of Claim 1.

Notably, *for all the claims* in the present application, the Office Action cited identical portions of Shoham, namely, Col. 1, lines 35-67; Col. 2, lines 11-34 and 52-67; Col. 4, lines 37-54; Col. 5, lines 28-36; Col. 6, lines 10-40; Cols. 7 to 8, lines 1-66; Col. 12, lines 7-37; Col. 13, lines 33-54; and Col. 14, lines 4-41. Applicant has considered each of these portions of Shoham, and indeed all of the disclosure of Shoham. Shoham is deficient and does not teach at least the above-noted features of Claim 1.

Should the Examiner persist in maintaining the rejection of Claim 1 based on Shoham, the Examiner is requested to at least specifically point out which elements or aspects of Shoham are considered as teaching:

(1) a value that indicates "a maximum amount of time for the market process to return a price for an item in response to receiving an order for the item";

(2) a value that indicates "a pricing methodology used by the market process to determine the price for the item"; and

(3) a value that indicates "an amount of time that the price for the item can be relied upon for executing a trade after the price is returned."

37 C.F.R. § 1.104(c)(2), under the "Rejection of Claims" heading, requires:

> When a reference is complex or shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable. The pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified.

Applicant respectfully submits that the detailed portion of the Office Action fails to comply with 37 C.F.R. § 1.104(c)(2) in that it fails to specify the particular elements or aspects of Shoham that are considered pertinent to the features of the claims. As indicated in applicant's

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last response, to support a *prima facie* rejection of the claims, it is insufficient to use identical broad brush citations to Shoham, spanning across several columns, with no particularity to the specific language in each claim.

Furthermore, should the Examiner maintain the rejection of the claims based on Shoham, the Examiner should at least specifically point out which elements or aspects of Shoham are considered as teaching: "publishing to a plurality of trading processes the specified values for the selected market methodology, wherein the trading processes and the market process are each computer program entities executing on the computer system," as claimed in Claim 1.

Recognizing there are deficiencies in the disclosure of Shoham, the Office Action attempted to overcome the deficiencies by citing the disclosure of Freeny, Jr. More specifically, the Office Action conceded that Shoham fails to explicitly teach:

> automatically, via the at least one computer or another computer in the computer system, receiving an order from at least one trading process for trading an item with another trading process according to the selected market methodology;

and

> automatically, via the at least one computer or another computer in the computer system, processing the order according to the selected market methodology,

and instead relied on Freeny, Jr. The disclosure of Freeny, Jr., however, is also unavailing in this regard. As noted above, values are specified for the "selected market methodology," and Freeny, Jr. does not teach the elements of "specifying values for the selected market methodology in which the values indicate a maximum amount of time for the market process to return a price for an item in response to receiving an order for the item, a pricing methodology used by the market process to determine the price for the item, and an amount of time that the price for the item can be relied upon for executing a trade after the price is returned" and "publishing to a plurality of trading processes the specified values for the selected market methodology, wherein the trading

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processes and the market process are each computer program entities executing on the computer system."

Freeny, Jr., purports to teach an automatic stock trading system. As explained by Freeny, Jr., the reference discloses a system for automatically trading real investment items on at least one trading exchange. An individual trading computer analyzes investment data with trading criteria and outputs a trade request signal desirably with no manual intervention in response to the analysis determining that the item should be traded. The trade request signal identifies at least one trade of the item to be made by a trader and authorizes the trader to make the trade identified in the trade request so that at least a portion of the trade identified in the trade request signal can be consummated. See, e.g., the Abstract of Freeny, Jr.

Despite the disclosure of a generalized trading system, Freeny Jr. does not disclose the feature of "specifying values" as claimed in Claim 1, nor does it teach the feature of "publishing . . . the specified values" as claimed. Even if Freeny, Jr. could be combined with Shoham (which applicant denies), the combination still fails to teach or suggest all of the elements recited in Claim 1.

Claim 1 is therefore patentable over Shoham and Freeny, Jr., and should be allowed.

Claims 93, 94, 105, 109, and 113 Are Patentable Over Shoham and Freeny, Jr.

To reject independent Claims 93, 94, 105, 109, and 113, the Office Action repeated the same allegations used to reject Claim 1. Nevertheless, as shown above, the disclosures of Shoham and Freeny, Jr. are deficient.

In particular, Claim 93 recites, *inter alia*:

> specifying values for the selected market methodology via at least one computer in the computer system, wherein the values indicate:
>
> a maximum amount of time in which the market process must return a price for an item to a trading process, wherein the price is returned to the trading process in response to receiving an inquiry from the trading process for trading the item,
>
> a pricing methodology used by the market process to determine the price for the item, and

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an amount of time that the trading process can rely on the price for the item to execute a trade for the item after the price is returned,

and

publishing the specified values for the selected market methodology to a plurality of trading processes via at least one computer in the computer system, wherein the trading processes and the market process are each computer program entities executing on the computer system.

For at least reasons similar to those discussed above with respect to Claim 1, applicant submits that Shoham and Freeny, Jr. fail to teach or suggest at least the foregoing features of Claim 93. Applicant also notes that the reasons for rejection of Claim 93 as set forth in the Office Action (pages 21-23) are not commensurate with the language of Claim 93, even before the amendment presented herewith. The Office Action has not set forth a *prima facie* basis for rejecting Claim 93. The claim should therefore be allowed.

Claim 94 recites, *inter alia*:

receiving values for the selected market methodology via at least one computer in the computer system, wherein the values indicate:

a maximum amount of time in which the market process must return a price for an item to a trading process, wherein the price is returned to the trading process in response to receiving an order from the trading process for trading the item,

a pricing methodology used by the market process to determine the price for the item, and

an amount of time that the trading process can rely on the price for the item to execute a trade for the item after the price is returned,

and

publishing the specified values for the selected market methodology to a plurality of trading processes via at least one computer in the computer system, wherein the trading processes and the market process are each computer program entities executing on the computer system;

as well as

automatically, via at least one computer in the computer system, determining whether the market process has authority to execute the order,

and

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automatically, via at least one computer in the computer system, executing the order according to the selected market methodology after the market process has determined that it has authority to execute the order.

For at least reasons similar to those discussed above with respect to Claim 1, Shoham and Freeny, Jr. do not teach or suggest the steps of "receiving values" and "publishing the specified values" as recited in Claim 94.

Furthermore, the Office Action has not shown where Shoham and/or Freeny Jr. allegedly teach "determining whether the market process has authority to execute the order" and "executing the order according to the selected market methodology after the market process has determined that it has authority to execute the order."

Additionally, applicant notes that the basis for rejection of Claim 94 as set forth in the Office Action (pages 23-25) is not commensurate with the language of Claim 94, even before the amendment presented herewith. Claim 94 should be allowed.

Claims 105 and 109, for their part, include elements similar to those set forth in Claim 1. Accordingly, applicant submits that Claims 105 and 109 are patentable over Shoham and Freeny, Jr. for at least the same reasons as Claim 1. Furthermore, as with Claims 93 and 94, applicant notes that the reasons for rejection of Claims 105 and 109 as set forth in the Office Action (pages 27-31) are not commensurate with the language of Claims 105 and 109, even before the amendments presented herewith. Given the lack of a *prima facie* basis for rejection, Claims 105 and 109 should be allowed.

Claim 113 is directed to a computer system that provides a market process and includes elements similar to those set forth in Claim 1. In the Office Action, Claim 113 was summarily rejected based on the reasoning provided for Claim 1. Applicant submits, however, that Claim 113 is patentable over Shoham and Freeny, Jr., at least for reasons similar to those discussed above with respect to Claim 1.

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In sum, the disclosures of Shoham and Freeny, Jr., alone or combined (if such combination is possible), do not teach or suggest all of the elements recited in Claims 93, 94, 105, 109, and 113.

Claims 2-92, 95-99, 106-108, and 110-112 Are Patentable Over Shoham and Freeny, Jr.

Applicant further respectfully submits that Claims 2-92, 95-99, 106-108, and 110-112 are in patentable condition, both for their dependence on patentable Claims 1, 94, 105, and 109, and for the additional subject matter they each recite.

Claims 100-104 Are Patentable Over Shoham and Freeny, Jr.

Lastly, Claim 100 is directed to a computer-implemented method of providing a market process that includes detecting that a next book price will be worse than a previous book price according to a market methodology selected from a set of market methodologies. According to Claim 100, the method further includes notifying a crowd of an opportunity to improve upon the next book price, receiving a crowd price from the crowd, and providing the crowd price as a response when the crowd price is better than the next book price.

The Office Action rejected Claim 100 citing precisely the same portions of Shoham and Freeny, Jr., using precisely the same arguments raised against Claim 1. Applicant traverses the claim rejection and, as with the other claims, should the Examiner maintain the rejection, applicant requests greater specificity explaining how Shoham and/or Freeny, Jr. have any bearing on Claim 100.

The Office Action conceded that Shoham fails to teach or suggest "automatically, via at least one computer, providing the crowd price as a response when the crowd price is better than the next book price," but this feature is also not taught in Freeny, Jr.

The disclosures of Shoham and Freeny, Jr. are not concerned with comparing a next book price to a previous book price, and further are not concerned with sending price improvement notifications to anyone. Applicant has considered the disclosure of Freeny, Jr., and finds nothing that teaches or suggests these elements to overcome the deficiencies of Shoham.

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Accordingly, Claim 100, and its dependent Claims 101-104, are all patentably distinguished over Shoham and Freeny, Jr.

CONCLUSION

The disclosures of Shoham and Freeny, Jr. do not support a *prima facie* case of obviousness of Claims 1-113. Allowance of Claims 1-113 is requested. Should the Examiner identify any remaining issues needing resolution prior to allowance, the Examiner is invited to contact the undersigned counsel by telephone.

Respectfully submitted,

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